

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 3012 – HB 3125

April 20, 2010

SUMMARY OF AMENDMENTS (015389, 016199): Deletes all language after the enacting clause. Expands the existing Class A misdemeanor for possession of a handgun while under the influence of alcohol or any controlled substance to include a person possessing a firearm if the person is both in an establishment open to the public where liquor, wine, or other alcoholic beverages are served for consumption on the premises and the person is consuming any such alcoholic beverage. For a second offense, violation is punishable as a Class E felony, in addition to a permanent revocation of the person's handgun carry permit. Creates a Class B misdemeanor, punishable by fine only of \$500, for a person to possess a weapon in a building or on property that is properly posted with a handgun restriction notice. Effective September 1, 2010, a component of the classroom portion of all Department of Safety approved handgun courses shall be instruction on alcohol and drugs, the effects of those substances on a person's reflexes, the judgment and ability to safely handle a firearm, and the provisions of Tenn. Code Ann. § 39-17-1321. Deletes the Class C misdemeanor offense for a person, licensed to sell wine or other alcoholic beverages for on the premises consumption, to post a handgun sign at least six inches high and fourteen inches wide pursuant to Tenn. Code Ann. §§ 57-4-203 and 57-3-204.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue – Not Significant
Increase State Expenditures – Not Significant

Increase Local Revenue - \$11,000
Increase Local Expenditures - \$4,200*

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

Increase State Revenue – Not Significant
Increase State Expenditures - \$85,900/Incarceration**

Increase Local Revenue – Not Significant
Increase Local Expenditures – Not Significant

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Assumptions applied to amendments:

- State court convictions are 10 percent of the total convictions. According to the Administrative Office of the Courts, there has been an average of three convictions for violations of possession of a firearm where alcoholic beverages are served in each of the past five years. Total convictions, including general sessions courts, are estimated to be an average of 30 per year.
- According to the Department of Correction (DOC), the average operating cost per offender per day for calendar year 2010 is \$59.86, and the average post-conviction time served for a Class E felony is 1.31 years (478.48 days) at a cost of \$28,641.81. DOC estimates 10 percent (3) of the total (30) would receive a Class E felony conviction as a result of this bill.
- According to the U.S. Census Bureau, population growth in Tennessee has been 1.12 percent per year for the past 10 years, yielding a projected compound population growth of 11.78 percent over the next 10 years. No significant increase in incarceration cost as a result of population growth in this period. The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on three offenders.
- The additional incarceration cost for three offenders is \$85,925.43 (\$28,641.81 x 3).
- Requiring permanent suspension of a defendant's handgun carry permit will not have a significant fiscal impact on the Department of Safety (DOS).
- Requiring handgun safety courses to have a component of classroom instruction on alcohol and drugs applicable to laws regarding firearms will have a not significant impact on the DOS.
- Deleting the Class C misdemeanor offense for a licensed alcohol seller to post certain signs will result in a slight decrease in the number of violations. Such decrease is estimated to be not significant.
- Any cost can be accommodated within existing state and local resources without an increased appropriation or reduced reversion.

***Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/lsc